

Enclosure 1

Notice of Allocation, Subscription Document and Information Memorandum of
Newly-Issued Ordinary Shares of
Sri Trang Agro-Industry Public Company Limited

Section 1

Information on the Allocation of Newly-Issued Ordinary Shares

Section 1: Information on the Allocation of Newly-Issued Ordinary Shares

1. Date and number of the board of directors' meeting and shareholders' meeting that approved the allocation of newly-issued ordinary shares

- Board of Directors' Meeting of the Company No. 4/2017 held on 17 July 2017.
- Extraordinary General Meeting of Shareholders of the Company No. 2/2017 held on 31 August 2017.

The Board of Directors' Meeting and Extraordinary General Meeting of Shareholders have resolved to approve the allotment of 256,000,000 newly-issued ordinary shares to be issued and offered to the Company's existing shareholders in proportion to their respective shareholding (Rights Offering).

2. Details of the allocation of the newly-issued ordinary shares

Type of shares : Ordinary shares

Registered and paid-up capital : After Extraordinary General Meeting of Shareholders of the Company No.2/2017 resolved to approve the capital increase and the Company registered the capital increase with Ministry of Commerce, the registered capital of the Company was Baht 1,536,000,000 divided into 1,536,000,000 ordinary shares at a par value of 1 Baht per share, with paid-up capital of Baht 1,280,000,000.

Capital to be increased from rights offering : Baht 256,000,000. In case all existing shareholders fully subscribe for the newly-issued ordinary shares in proportion to their respective shareholding (Rights Offering), paid-up capital will be Baht 1,536,000,000.

Number of shares to be allocated : 256,000,000 shares

Offering price per share : 10 Baht per share

Allocation ratio: : 5 existing ordinary shares for 1 newly-issued ordinary share

Allocation methods : The Company shall allocate 256,000,000 newly-issued ordinary shares, at the par value of 1 Baht per share, by offering newly-issued ordinary shares to the Company's existing shareholders in proportion to their respective shareholding (Rights Offering) at the offering price of 10 Baht per share. In the event that there are fractions of shares after the calculation, such fractions shall be disregarded.

The Company will allocate the shares to its shareholders in proportion to their respective shareholding. In the event that there are fractions of shares after the calculation, such fractions shall be disregarded. Additionally, shareholders can subscribe for the newly-issued ordinary shares in excess of their entitled rights (Oversubscription). Such shareholders will be entitled for oversubscribed shares allocation only if there are remaining shares from shares allocation to existing shareholders according to their rights.

Regarding the allocation of newly-issued ordinary shares to existing shareholders in proportion to their respective shareholding, if there are remaining shares after the allocation to the existing shareholders in the first round, the Company will allocate the remaining unsubscribed shares to the shareholders who wish to subscribe for the newly-issued ordinary shares in excess of their shareholding proportion at the price equivalent to the price of shares allocation to existing shareholders pursuant to the right, and in proportion to such shareholders' existing shareholding ratio as follows:

- 1) If total unsubscribed shares are more than or equal to the total number of the shares that the shareholders would like to subscribe in excess to their rights in the first round, all shareholders who subscribe for shares more than their rights and complete subscription payment of the oversubscribed amount will receive the allocation of shares pursuant to their subscriptions
- 2) If total unsubscribed shares are less than the total number of the shares that the shareholders would like to subscribe in excess to their rights in the first round, all shareholders who subscribe in excess of their rights will receive the allocation pursuant to the following steps:
 - (1) The remaining shares will be allocated to the shareholders who oversubscribe pursuant to the right, equalling to the number of the newly-issued ordinary shares subscribed pursuant to the right of shareholders who oversubscribe, divided by the number of the total newly-issued ordinary shares subscribed pursuant to the right of all shareholders who oversubscribe and multiplied by the number of total

newly-issued ordinary shares remaining. The equation will result in the number of the newly-issued ordinary shares to be allocated to the shareholders who oversubscribe in excess of the right. In the event that there are fractions of shares after the calculation, such fractions shall be disregarded. In this regard, the allocated shares shall not exceed the number of shares that each shareholder subscribes and makes payment for.

- (2) In case that there are remaining shares from shares allocation in (1), the Company will allocate such remaining shares to the shareholders who oversubscribe but have not received all oversubscribed shares, under the similar method as (1). In this regard, the remaining shares will be allocated to shareholders who oversubscribe, under this method, until none of the shares remains from shares allocation, or the remaining shares are unable to be further allocated as they are the fractions of shares, or none of the shareholders wishes to subscribe for the newly-issued ordinary shares.

If there are remaining shares after the allocation to existing shareholders according to their rights and in excess of their rights (Oversubscription), the Company will decrease the registered capital by reducing the remaining newly-issued ordinary shares from the offering.

3. **Name and venue for subscription of the newly-issued ordinary shares of the Subscription Agent**
SCB Securities Co., Ltd. (the “Subscription Agent”)

No. 19, Tower 3, SCB Park Plaza, 20th Floor,

Ratchadapisek Road, Chatuchak Subdistrict, Chatuchak District, Bangkok

Telephone: 0-2949-1999

4. **The record date for determining the list of shareholders entitled to subscribe for newly-issued ordinary shares**

The Extraordinary General Meeting of Shareholders of the Company No. 2/2017, held on 31 August 2017, resolved to fix 8 September 2017 as the record date for determining the list of shareholders entitled to receive the subscription rights in proportion to their respective shareholding and 11

September 2017 as the share register book closing date for compiling the list of shareholders in accordance with Section 225 of the Securities and Exchange Act B.E. 2535 (as amended).

5. Schedule for subscription, subscription methods and payment of subscription for the newly-issued ordinary shares

5.1 Subscription and payment period for the newly-issued ordinary shares

During 2 - 6 October 2017 (totalling 5 business days), during 09.00 a.m. to 4.00 p.m., at the office of the Subscription Agent, as specified in Clause 3.

5.2 Venue of the subscription for the newly-issued ordinary shares

A shareholder who is entitled to the subscription and wishes to subscribe for the newly-issued ordinary shares shall submit the Subscription Form, the subscription documents and evidence(s) of payment of subscription for the newly-issued ordinary shares (as specified in Clause 5.3) to the Subscription Agent, as specified in Clause 3 only.

With respect to the shareholders under scripless system, please contact the securities companies who are acting as their brokers. The securities companies shall collect the subscription documents and submit it to the Subscription Agent.

In this regard, the Company represented by the Subscription Agent does not accept the subscription documents by mail.

5.3 Subscription methods and payment of subscription for the newly-issued ordinary shares

A shareholder wishing to subscribe for the newly-issued ordinary shares shall fill out the complete, accurate and clear details of subscription in the Subscription Form, by specifying the number of shares to be subscribed by each shareholder, whether the subscription of shares in proportionate of or less than their respective shareholding according to the Subscription Certificate and the number of shares to be oversubscribed (if any) in the Subscription Form (one Subscription Form for each subscriber) and affix his/her signature thereon and pay for the newly-issued ordinary shares in full accordance with the subscribed number of shares, both of the subscribed amount in proportionate of or less than their allocated amount and the oversubscription amount (if any), by enclosing the bill payment, and supporting documents and delivering all documents to the office of Subscription Agent, as specified in Clause 3.

In case that any shareholders intend to subscribe for the newly-issued ordinary shares exceeding their respective shareholdings, the shareholders are required to express their intention to subscribe for their full entitlement of the newly-issued ordinary shares pursuant to

their respective shareholdings first then they are entitled to exercise for the oversubscription.

The subscribers or their grantees shall submit the Subscription Form and the subscription documents required as follows:

- 5.3.1 Subscription Form of the Company (Enclosure 2) which has been complete, accurate and clear, with signature of the subscriber. Each subscriber, in any case, is permitted to submit one Subscription Form per one Subscription Certificate only. In this regard, the shareholder can download the Subscription Form from the Company's website (<http://www.sritranggroup.com>);
- 5.3.2 Subscription Certificate (if any) issued by Thailand Securities Depository Co., Ltd. ("TSD"), the share registrar of the Company (Enclosure 3);
- 5.3.3 Evidence of payment according to the subscription payment method, following the details and procedure as presented below:

- The payment by money transfer to bank account via Bill Payment

The payment by money transfer to bank account via Bill Payment shall be made payable to "Subscription Account for STA", The Siam Commercial Bank Public Company Limited, Ratchayothin Branch, Current Account, A/C Number 111-3-92514-5 from 9.00 a.m. to 4.00 p.m. (or business hours of each SCB branch) on 2-6 October 2017.

- The payment by personal cheque / cashier cheque / bank draft via Bill Payment

Payment by personal cheque / cashier cheque / bank draft via Bill Payment shall be made payable to "Subscription Account for STA", The Siam Commercial Bank Public Company Limited, Ratchayothin Branch, Current Account, A/C Number 111-3-92514-5 from 9.00 a.m. to 3.30 p.m. (or business hours of each SCB branch) on 2-4 October 2017 and shall be collectible from the same clearing house within the following business day.

To facilitate the transfer of subscription payment of newly-issued ordinary shares, the Company has attached the Bill Payment Pay-In Slip (Enclosure 4). The subscribers are required to specify the name, surname, and contact number. For Ref. 1, please specify the 10-digit shareholder registration number as shown in the Subscription Certificate. For Ref 2, please specify the 13-digit Thai national identification number / Passport number / Foreign identification card number (as the case may be).

5.3.4 Identification documents

- Thai individual

A certified copy of a valid identification card, civil servant identification card, or state enterprise employee identification card. In case of civil servant identification card or state enterprise employee identification card, please attach a certified copy of a house registration book in which the 13-digit identification number is specified. (In case that the identification card has expired, please bring a certified copy of a house registration book in which the 13-digit identification number is specified).

In the case of a name/surname change resulting in the name/surname not being in accordance with what is recorded in the share register book on 11 September 2017 or the Subscription Certificate, the subscriber is required to attach a certified copy of a document issued by a government agency such as a marriage or divorce certificate, or a change of name/surname certificate, etc.

In this regard, the signature on all certified copies must be identical to the signature endorsed on all relevant documents for the subscription.

- Foreign individual

A certified copy of a valid foreign identification card or passport, whereby the signature on all certified copies must be identical to the signature endorsed on all relevant documents for the subscription.

- Juristic person registered in Thailand

A certified copy of an Affidavit issued by the Ministry of Commerce no later than 12 months before the subscription date, with the signature of the authorized person and the juristic person's seal affixed (if any), with a certified copy of the identification card, foreign identification card, or passport (as the case may be) of the authorized person attached, whereby the signature on all certified copies must be identical to the signature endorsed on all relevant documents for the subscription.

In the case of government office, government entities, state-owned enterprise, or other entities relating to government, it is required to attach the command/resolution letter or appointment letter or power of attorney to enter into the transaction.

In the case of cooperative, foundation, association, temple, mosque, shrine, and equivalent entities, it is required to attach letter of intent to enter into the transaction or the directors' resolution, Certificate of Incorporation from relevant authorities, letter of appointment or power of attorney and the evidence of withholding tax exemption (if any).

■ Juristic person registered overseas

A certified copy of a Certificate of Incorporation, Memorandum of Association, or Affidavit issued by the competent authority of the country where such juristic person is located no later than 12 months before the subscription date, whereby such Affidavit shall be illustrated name of juristic person, authorized person(s), address of head office, and conditions of the authorized person(s) to sign/bind such juristic person, with the signature of the authorized person and the juristic person's seal affixed (if any), with a certified copy of the foreign identification card, or passport (as the case may be) of the authorized person attached, whereby the signature on all certified copies must be identical to the signature endorsed on all relevant documents for the subscription.

The copies of the said documents shall be notarized by the Notary Public and certified by the official of the Thai Embassy or Thai Consulate in the country in which the documents are prepared or certified. All of the said documents must be issued within the period of 12 months prior to the subscription date.

- 5.3.5 For shareholders who oversubscribe and intend to receive the refund from any unallocated portion or uncompleted portion in accordance with the oversubscription amount via Automatic Transfer System or ATS, they are required to attach the certified copy of the first page of their passbook for savings account or certified copy of statement of current account specifying the name of account owner, whereby the account name must be the same as the subscriber and such account must not be a joint account (only with Bangkok Bank Public Company Limited, KASIKORNBANK Public Company Limited, Krung Thai Bank Public Company Limited, TMB Bank Public Company Limited, The Siam Commercial Bank Public Company Limited, United Overseas Bank (Thai) Public Company Limited, Bank of Ayudhya Public Company Limited and Thanachart Bank Public Company Limited).
- 5.3.6 A power of attorney (Enclosure 5) for the subscription of the newly-issued ordinary shares of the Company, affixed with Baht 30 stamp duty (in the case of appointment

of attorney) together with certified copies of identification card of the subscriber and his/her attorney.

5.4 Other conditions for subscription

- 5.4.1 A shareholder who subscribed for the newly-issued ordinary shares and made payment for the subscription shall neither be entitled to cancel the subscription nor request for a refund. The Company reserves the right to deny the subscription right if the Company does not receive the Subscription Form, the subscription documents and/or subscription payment within the specified period.
- 5.4.2 If the subscription payment is made by cheque / cashier cheque / bank draft via Bill Payment, the payment shall be deemed complete once the Company and/or the Subscription Agent are able to collect the subscription payment.
- 5.4.3 If a subscriber fails to pay the subscription payment; or fails to comply with the payment method in accordance with the conditions and procedures specified in order for the Company to be able to complete the collection of the subscription payment within the subscription period; or the Company and/or the Subscription Agent are not able to collect all or any part of the subscription payment (due to the fault not attributable to the Company and/or the Subscription Agent) within the subscription period; or subscribes for the shares by any other means not specified under this Notice of Allocation; or fails to submit the complete subscription documents, the Company and/or the Subscription Agent shall deem that the shareholder waives the subscription. In this regard, the Company and/or the Subscription Agent reserve the rights to not allocate the newly-issued ordinary shares to such shareholder.
- 5.4.4 If the subscriber fills in incomplete, unclear, or inconsistent details in the subscription documents, the Company and/or the Subscription Agent reserve the right to use the information in the subscription documents for the purpose of the allocation of the newly-issued ordinary shares as it deems appropriate. The Company and/or the Subscription Agent shall deem that the shareholder waives the subscription. In this regard, the Company and/or the Subscription Agent reserve the right to not allocate the newly-issued ordinary shares to such shareholder.
- 5.4.5 If the first round of Right Offering or the oversubscription allocation results in the shareholding of any foreign shareholder being in excess of 49 percent of the total issued shares, the Company reserves the right to not allocate the newly-issued

ordinary shares to such foreign shareholder as such allocation violates or may violate the limitation on foreign shareholding proportion as required in the Company's Articles of Association. Nevertheless, the Company reserves the right to allocate the newly-issued ordinary shares remaining from such allocation.

- 5.4.6 The subscribers shall be responsible for expenses and bank fees (if any).
- 5.4.7 The Company represented by the Subscription Agent **does not accept subscription documents by mail and the subscribers shall be strictly prohibited to place the subscription documents and evidences of subscription payment with the banks, since the banks have only duty to deposit the money into the subscription account.**
- 5.4.8 If a shareholder receives the Subscription Certificate for more than one shareholder registration number, the shareholder must prepare the subscription documents for each shareholder registration number for which he/she receives, that is, one set of subscription documents for one shareholder registration number. If the subscriber subscribes for the shares with one shareholder registration number by combining all subscription rights to which he/she is entitled under all of his/her shareholder registration numbers into one transaction or fills out such information in the same set of subscription documents, the subscriber may not be allocated the newly-issued shares in accordance with all subscription rights to which he/she is entitled under all of his/her combined shareholder registration numbers. In this regard, the Company reserves the right to allocate the newly-issued shares to the subscriber as it deems appropriate or not allocate the newly-issued shares to such subscriber.
- 5.4.9 If the number of shares specified in the Subscription Form are more than the money received by the Company, the Company and/or the Subscription Agent reserve the right to allocate the newly-issued ordinary shares to such shareholder pursuant to the money received.
- 5.4.10 If the number of shares specified in the Subscription Form are less than the money received by the Company, the Company and/or the Subscription Agent reserve the right to allocate the newly-issued ordinary shares to such shareholder as it deems appropriate.
- 5.4.11 The Company reserves the right to change the details of the subscription methods and payment and other conditions for subscription as it deems appropriate in the case of issues, difficulties, or restriction in relation to the operation, in the interest of the subscription of the newly-issued ordinary shares.

5.5 Refund of subscription payment if the subscribers have not been allocated the shares in accordance with the subscribed amount

If a shareholder who subscribes for the newly-issued ordinary shares has not been allocated the shares or a shareholder who oversubscribes has not been allocated the shares in accordance with the oversubscription amount, the Company represented by the Subscription Agent will refund the subscription payment to the shareholder who subscribes for the newly-issued ordinary shares which have not been allocated or the shareholder who oversubscribes and has not been allocated the shares in accordance with the oversubscription amount **without interest and/or damages** by using any of the methods that the shareholder specifies in the Subscription Form as follows:

- 5.5.1 The refund shall be transferred via the automatic transfer system (ATS) into the subscribers' bank account (only with Bangkok Bank Public Company Limited, KASIKORNBANK Public Company Limited, Krung Thai Bank Public Company Limited, TMB Bank Public Company Limited, The Siam Commercial Bank Public Company Limited, United Overseas Bank (Thai) Public Company Limited, Bank of Ayudhya Public Company Limited and Thanachart Bank Public Company Limited), as specified in the Subscription Form, within 7 business days from the last date of subscription period, whereby the account name must be the same as the subscriber and such account must not be a joint account; or
- 5.5.2 The refund shall be made in the form of a Siam Commercial Bank Public Company Limited crossed cheque made payable to the name of the subscriber, as specified in the Subscription Form, and deliver the cheque via registered mail to the address of the shareholder recorded in the Company's shareholder database in accordance with the share register book as at 11 September 2017, within 10 business days from the last date of subscription period; or
- 5.5.3 Other methods as the Company and/or the Subscription Agent deem appropriate, whereby the subscriber shall be responsible for the fee for money transfer or the fee charged by the different Clearing House (if any).

Nevertheless, if the Company and/or the Subscription Agent fail to refund the subscription payment for the shares which have not been allocated or have been allocated in an amount which is less than the oversubscribed amount by means of a bank transfer as specified in the Subscription Form, as set out in Clause 5.5.1 due to the name of the bank account not being the same as the subscriber or due to any other reason which is beyond the control of the

Subscription Agent, the Company and/or the Subscription Agent shall refund the subscription payment for the shares which have not been allocated or have been allocated in an amount which is less than the oversubscribed amount in the form of a Siam Commercial Bank Public Company Limited crossed cheque made payable to the name of the subscriber, and deliver the cheque via registered mail to the address of the shareholder recorded in the Company's shareholder database in accordance with the share register book as at 11 September 2017, as set out in Clause 5.5.2.

In this regard, if the subscription payment for the shares which have not been allocated is made or the allocated newly-issued shares are less than the oversubscribed amount is transferred to the bank account of the subscriber as specified in the Subscription Form or by a cheque delivered via registered mail to the address recorded in the Company's shareholder database in accordance with the share register book as at 11 September 2017, it shall be deemed that the subscriber duly received the subscription payment for the shares which have not been allocated or have been allocated in an amount which is less than the oversubscribed amount, and the subscriber shall no longer have any right to claim for any interest and/or damages from the Company or the Subscription Agent.

5.6 Delivery of securities

5.6.1 If the subscriber wishes to deposit the shares in a securities trading account that the subscriber has opened with a securities company, the Company will deposit the allocated shares in the "Thailand Securities Depository Company Limited for Depositors" account maintained by the TSD. Thailand Securities Depository Company Limited and the securities company will record the number of shares deposited by the subscriber and issue an evidence of deposit to the subscriber within the period of 7 business days from the last date of the subscription period. In such a case, the subscriber can immediately sell the allotted shares on the Stock Exchange of Thailand ("SET") upon the SET approves the newly-issued shares of the Company be traded on the SET.

In the case that the subscriber chooses to proceed with Clause 5.6.1, the name of the subscriber in the Subscription Form must be the same with the name of the assigned trading account for the share deposit in the securities company only. In case that the name of subscriber does not be same with the trading account or the securities companies or the number of member of the depository is not consistent, the Company reserves the right to deliver such securities in the form of share

certificate (scrip). In this regard, TSD will issue the share certificate for the shares amounting of the allotted shares under the name of the subscriber and deliver to the subscriber according to the name and address as per the Company's Shareholder Database in accordance with the share register book as at 11 September 2017 via registered mail, within 15 business days from the last date of the subscription period. In this regard, the Company shall not be responsible for the shareholders if they cannot sell their allotted shares on the first trading day of such allotted shares.

5.6.2 If the subscriber wishes to deposit the newly-issued ordinary shares in Issuer's Account No. 600, the Company will deposit the allocated shares with the TSD. The TSD will deposit the shares in account of the Company No. 600 and will record the number of shares in such account under the name of the subscriber and issue an evidence of deposit to the subscriber within the period of 7 business days from the last date of the subscription period. **In this case, the subscriber shall fill the additional subscription document i.e. "Additional Documents for Depositary into an Issuer Account only" (Enclosure 6) for the subscriber who is individual and juristic person and document for Juristic person "Entity Status Certification and Information Disclosure Consent Form under FATCA" for juristic person only" (Enclosure 7) to be submitted to TSD.** When the subscribers would like to sell the allotted shares, they must withdraw those shares from the account No. 600 by requesting the securities companies, with potential fees applicable as indicated by the TSD and/or such securities company. The subscriber can immediately sell the allotted shares on the SET upon the SET approves the newly-issued shares of the Company be traded on the SET.

5.6.3 If the subscriber wishes to receive the share certificate under his/her name, the TSD, as the Company's registrar, will deliver the share certificate representing the allocated number of shares to the subscriber via registered mail to the addressee under the name and address recorded in the Company's shareholder database in accordance with the share register book as at 11 September 2017, within the period of 15 business days from the last date of the subscription period. In this case, the subscriber cannot sell the allotted shares on SET until receiving the share certificate, which may receive after the first trading day of such allotted shares. In the case that the subscriber wishes to receive share certificate (scrip) and the value of share subscription per 1 subscription right exceeds 100,000 Baht, such subscriber is required to fill in KYC form, in which the form can be obtained from the Subscription Agent or the securities companies who are acting as the subscriber's brokers.

In the case that the subscriber does not indicate any case of delivery of shares as specified in the Subscription Form, the Company reserves the right to deliver those shares by issuing the share certificate under the name of the subscriber and TSD will deliver the share certificate representing the allotted shares to the subscriber according to the name and address as per the Company's Shareholder Database in accordance with the share register book as at 11 September 2017 via registered mail.

6. Objectives of the capital increase and plans for utilizing proceeds derived from the capital increase

The Company will use the total proceeds from the capital increase as follows:

Details	Approximate Proceeds	Period
1) To partially repay loan that the Company borrowed to purchase the shares of Sri Trang Gloves (Thailand) Co., Ltd.	1,500 Million Baht	Within Q4/2017
2) To payback short term loans from financial institutions	500 Million Baht	Within Q4/2017
3) To invest in the expansion of production capacity of natural rubber products in Indonesia and Thailand*	410 Million Baht	Within Q4/2018
4) To invest in subsidiaries that sell and distribute medical examination gloves including but not limited to US, China etc.*	150 Million Baht	Within Q4/2018
Grand Total	2,560 Million Baht	

*Remark : *When the Company receives the proceeds from the capital increase and when the Board of Directors approve such investments, the investment details and the size of transactions according to the Rules of Assets Acquisition and Disposals will be further disclosed. The Company may make adjustment to the purposes in the table above to ensure the suitability of the usage of the proceeds to the Company's business condition as well as the economic condition to enhance the benefit to the Company and its shareholders.

7. Benefits which the Company will receive from the allocation of the newly-issued ordinary shares

Proceeds from the capital increase strengthen the Company's business and support the production capacity of both natural rubber products and medical examination gloves. Additionally, the proceeds enhance the Company's capital structure as well as reduce its interest burden.

8. Dividend policy and right to receive dividend from the capital increase/share allocation

8.1 Dividend Policy

The Company's policy is to pay a dividend of approximately 30% of net profit for each financial year but not in excess of retained earnings, taking into account the Company's financial position, results

of operations and cash flow, the ability of the subsidiaries, associates and joint venture entity to make dividend payment to the Company, our Company's expected working capital requirements to support the Company's future growth, and general economic conditions and such other external factors that the Company believes to have an impact on the business operations of the Company.

8.2 The subscribers of the newly-issued shares will be the shareholders of the Company in the portion of their subscribed shares since the date of the registration of the change in the Company's paid-up capital with the Department of Business Development, Ministry of Commerce. The Shareholders will be entitled to receive dividends according to their respective shareholding in the share register book as at the record date.

8.3 Others

– None –

9. Other details necessary for the shareholders to invest in the Company's shares

– None –

Section 2

General Information of the Company

Section 2: General Information of the Company

1. General Information

Name of the Company	:	Sri Trang Agro-Industry Public Company Limited (“Company” or “STA”)
Security Symbol	:	STA
Head Office	:	10 Soi 10, Phetkasem Road, Hatyai Subdistrict, Hatyai District, Songkhla, 90110
Types of Business	:	<ol style="list-style-type: none">1. Natural Rubber Products i.e. (1) Technically Specified Rubber (TSR) for the manufacture of automotive tires (2) Ribbed Smoked Sheets (RSS) for the manufacture of automotive tires, automotive parts, belts, pipes and shoes etc., and (3) Concentrated latex for production of examination gloves, condoms, elastic and adhesives, etc.2. Examination gloves for medical and industrial purposes3. Other businesses i.e. rubber plantation, rubber wood processing, production and sale of finished products

2. Business Overview

Background

STA was established by our founders, Mr. Somwang Sincharoenkul and Dr. Viyavood Sincharoenkul in Thailand on 23 April 1987 as a private limited company with an initial registered capital of Baht 31 million to produce RSS in Hatyai, Songkhla Province, Thailand. STA is a producer and exporter of natural rubber products, which is one of the most important agricultural products in the southern part of Thailand. STA expanded its business to include Concentrated Latex and TSR to cover the market’s demand and continued to increase the production capacity and expand the production bases until became the world’s largest fully integrated (Full Supply Chain) natural rubber company.

STA made an initial public offering in Thailand and listed the shares on the Stock Exchange of Thailand on 22 August 1991, and converted to a public limited company on 27 December 1993. In January 2011, STA made an offering of its newly issued ordinary shares to the public, including institutional investors, (Public Offering) in Singapore and listed the shares on the Singapore Exchange (SGX-ST) on 31 January 2011. At present, STA shares are listed securities on both the SET and SGX-ST (Dual Listing).

The Demerger between STA and Semperit

Summary

On 15 March 2017, STA and Semperit Technische Produkte Gesellschaft m.b.H (“**Semperit**”) completed the demerger of the joint venture and associate companies. The demerger results in STA increasing its shares in Siam Sempermed Corporation (“**SSC**”) (which is later renamed Sri Trang Gloves (Thailand) Co., Ltd (“**STGT**”) on 16 March 2017) from 40.2% to 90.2% of the total shares. The demerger also results in Semperit increasing its shares in the following associate companies to 100% of the total shares:

- 1) Sempermed USA, Inc.
- 2) Sempermed Singapore Pte. Ltd. (“**SESI**”) (including the shares held by SESI in Formtech Engineering (M) SDN BHD and Sempemed Brasil Comercio Exterior Ltd.);
- 3) Semperflex Shanghai Ltd.
- 4) Shanghai Sempermed Glove Sales Co., Ltd.; and
- 5) Shanghai Semperit Rubber & Plastics Products Co., Ltd.

Semperflex Asia Corporation Ltd. (“**SAC**”) will continue to operate as a joint venture company with Semperit being granted the right to acquire STA's 42.5% of the shares (together with the remaining shares held by the other shareholders) in SAC, totalling 50% of SAC's shares, between 2019 and 2021 for USD 60 million.

Sources of Funds

STA has secured a long-term loan facility in the amount of Baht 4.5 billion from a financial institution to support this demerger. The repayment of long-term loan facility is due within 29 December 2017.

Results and Benefits of the Demerger

- 1) The demerger results in STA having full control over the management and operations of STGT, leading to increased efficiency in all areas of operations, including raw material procurement, production, marketing, product distribution, production efficiency enhancement and production capacity expansion. STA's full control in STGT is in congruence with its strategic goal in becoming a majority shareholder of downstream business in examination gloves manufacturing, whereby raw material includes concentrated latex, one's of the core products of STA. The demerger also increases STA's competitiveness and strengthens its position as a fully integrated natural rubber company.
- 2) The demerger enhances business value of STA and provide a steadier stream of revenue, to STA as a result of the change in accounting recognition of STGT from profit sharing under the equity method as a joint venture company to a consolidation method.

- 3) The demerger results in any and all disputes, lawsuits, arbitrations and legal proceedings between STA, the subsidiaries and Semperit in any courts and arbitrations being withdrawn or terminated. The joint venture agreements and any related surviving obligations have also been terminated with effect from the closing date, releasing all parties thereto from any and all obligations therein. Consequently, STA, the subsidiaries and STGT will no longer be subject to various prohibitions and other obligations with Semperit.

2.1 Products and Services

The Company operates a fully integrated natural rubber supply chain business in many countries. The business starts from upstream business by engaging in rubber plantation in Thailand, midstream business by processing and distributing natural rubber products to downstream business to produce and distribute finished goods including gloves, and hydraulic hoses.

The Company's operations mainly consist of 3 businesses which are 1) natural rubber business which is main source of income 2) gloves business and 3) other business. Details of each business are as follows;

2.1.1 Natural Rubber Business

The Company is the world's largest manufacturer and distributor of natural rubber products. We own market share of approximately 12%¹ and provide Natural Rubber Products that serve all types of demand including tires and gloves industries which are TSR, RSS, and concentrated latex to customers in Thailand and various countries in Asia such as, the PRC, Singapore, Japan, India, Korea, Malaysia, and Vietnam, as well as the United States and Europe. We also purchase Natural Rubber Products from third party producers and our joint venture entity, Thai Tech Rubber, from time to time, to meet demand from customers.

2.1.2 Examination Gloves Business

In addition, and complementary to our Natural Rubber Products business, we produce disposable latex examination gloves and nitrile examination gloves for medical and industrial purposes to serve our customers worldwide. The Company's examination gloves production capacity is considered as the largest in Thailand, and one of the largest in the world.

¹ Based on our sales volume of Natural Rubber Products of approximately 1,494,094 tons for the financial year ended 31 December 2016 and the total global demand for natural rubber products of approximately 12,505,000 tons in 2016. (Source : International Rubber Study Group (IRSG), The World Rubber Industry Outlook, Review and Prospects to 2025, December 2016)

2.1.3 Other Businesses

2.1.3.1 Rubber plantation business

We operate our large-scale commercial rubber plantation systematically and in a full supply chain through our subsidiary, Sri Trang Rubber & Plantation. As of December 2016, we have approximately 50,000 rai in many provinces of Thailand, majorly in the North and the Northeast regions.

Having our own plantation helps us identify areas where we can potentially set up a new production facility. We have decided to set up new processing facilities in 4 provinces, namely Phitsanulok, Kalasin, Sakaeo, and Sakon Nakhorn following the development of our own rubber plantations in those areas. Moreover, this will increase our sourcing efficiency and allow us to procure raw materials in reasonable price which would be expected to result in lower cost and margin improvement. In addition, for fully mature plantation, parawood can be processed into houseware and home decoration in furniture industry, as well as pallet container in packaging industry.

2.1.3.2 Rubber wood processing business

Through our subsidiary, Anvar Parawood, we also involve in the production and distribution of processed dried rubber wood and other types of woods which are assembled into pallets for the use within Sri Trang Group.

2.1.3.3 Production and sale of finished products business

We manufacture and distribute finished products through investments in our associates that STA, the subsidiaries and Semperit have jointly established namely SAC, which produces and sells high-pressure hydraulic hoses for industrial, mining, and other specific applications. Moreover, SAC has developed various small-sized hydraulic hoses for advanced and state-of-the-art applications.

2.2 Marketing and Competition

2.2.1 Marketing

We have an extensive and diversified customer network of leading players in domestic market and key international markets globally, including Asia such as the PRC, Singapore, Japan, India, Korea, Malaysia, and Vietnam, as well as the United States and Europe.

In addition of our factories in Thailand and Indonesia, our global sales and distribution function are located in and managed out to our target customers, i.e. automotive tire producers in multiple countries and examination gloves distributors and consumers, through distribution networks based in Singapore, the United States, PRC and Vietnam. The distribution activities are managed through our subsidiaries Sri Trang International, Sri Trang USA, Shi Dong Shanghai and Sri Trang Indochina.

Target Customers and Market Shares by Geography

We have distributed our products to customers worldwide. In the last 3 years and first half of 2017, our market shares by geography are as follows:

Geography	Year 2014*		Year 2015*		Year 2016*		First 6 months 2017	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Natural Rubber								
Domestic	12,971.5	17.2%	9,913.4	16.2%	13,180.4	17.1%	8,145.8	15.8%
Export	61,637.4	81.6%	46,728.4	76.2%	59,172.1	76.6%	38,920.8	75.7%
- China	34,754.1	46.0%	23,690.0	38.7%	34,087.3	44.1%	22,096.0	43.0%
- Asia (Excl. Thailand and PRC)	18,410.4	24.4%	17,471.5	28.5%	18,644.3	24.1%	11,697.6	22.8%
- North America	5,145.5	6.8%	3,556.0	5.8%	3,715.7	4.8%	3,058.2	6.0%
- Europe	3,261.2	4.3%	1,970.6	3.2%	2,559.7	3.3%	1,973.4	3.8%
- Others	66.2	0.1%	40.3	0.1%	165.1	0.2%	95.6	0.2%
Examination Gloves								
Domestic	733.4	1.0%	970.8	1.6%	1,095.8	1.4%	663.5	1.3%
Export	187.6	0.2%	3,679.4	6.0%	3,817.2	4.9%	3,660.2	7.1%
- China							319.7	0.6%
- Asia (Excl. Thailand and PRC)							992.6	1.9%
- North America							1,216.7	2.4%
- Europe							764.3	1.5%
- Others							366.9	0.7%
Grand Total	75,529.9	100.0%	61,292.00	100.0%	77,265.5	100.0%	51,394.3	100.0%

*The breakdown of international sales of examination gloves are not shown in 2014 – 2016 as STGT was a joint venture and the revenue in STA's consolidated financial statement in such periods included only the gloves revenue that were distributed by STA.

2.2.2 Industry

2.2.2.1 Natural Rubber Industry

Natural rubber is deemed the commodity that Thailand tops the world for its production size, followed by Indonesia and Vietnam, respectively. Natural rubber products are primarily processed in tire industry and glove industry. In 2017, Natural rubber industry remains to be in difficult headwinds, facing market uncertainty e.g. speculation of commodity in future market, subdued economic recovery in global landscape and PRC, and unfavorable weather conditions etc.

Demand and Supply of Natural Rubber in 2017

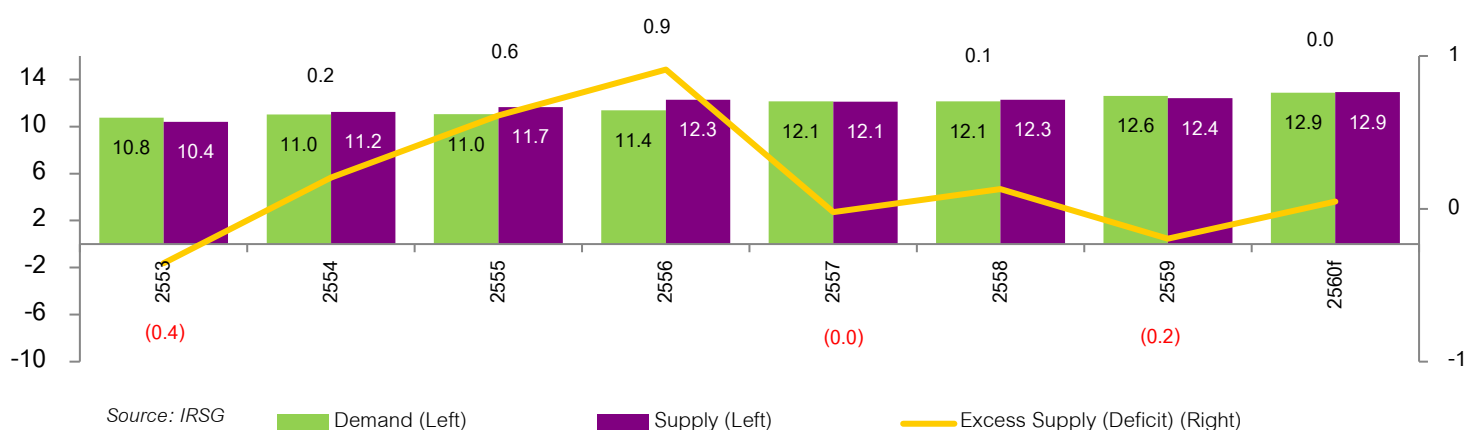
According to the World Rubber Industry Outlook, Review and Prospects to 2026, published by the International Rubber Study Group (IRSG) in June 2017, the global demand for natural rubber (NR) in 2017 is expected at 12,505,000 tons, up 3.0% YoY, in line with the growth of the tire industry. Particularly, tire industry is expected to expand by 3.1% YoY consistently until 2020 and decelerate to 2.7% YoY afterwards.

Natural Rubber Demand and Supply Trend in 2017

IRSG projects global NR demand in 2017 to be 12,878,000 tons, increasing 2.2% YoY. The growth will mainly be driven by PRC, the world's largest consumer of natural rubber. As for NR supply, IRSG forecasts that NR production will grow to 12,925,000 tons, surging at the rate of 4.2% YoY. The largest sources of additional supply volumes will be PRC, Indonesia and the CAMAL countries (i.e. Cambodia, Myanmar and Lao PDR), accounting for 29.2% of total natural rubber supply. CAMAL countries have seen significant growth rate of natural rubber production at 3.4% YoY, while supply from Thailand, the world's largest NR producing country with 34.8% of world's production, is expected to see sluggish growth rate at 0.65% YOY, curtailed by unfavorable weather conditions.

Diagram exhibits Demand and Supply of Natural Rubber during 2010 – 2017

(Unit: million tons)



Balance of Natural Rubber Demand and Supply

In 2017, growth rate of NR supply from new rubber plantation is expected to decelerate as a result of fewer planting activities amidst downtrend of natural rubber price since 2011. Moreover, the prolonged period of low NR prices has induced rubber farmers to shift to plantation of other alternative profitable crops or delay planting/re-planting activities, leading to reduction in tapping workforce and tapping frequency as well as dampening interest for newcomers to enter the rubber industry. Meanwhile, NR demand continues to be healthy, supported by the solid growth of the tire industry. Henceforth, IRSG anticipates that NR supply surplus in 2017 will hover around 47,000 tons, which is close to the equilibrium point.

Competition

With a market share of 12%² of global NR consumption in 2016, we are widely regarded as the world's largest fully-integrated natural rubber processing company. Our operations are based in the top three NR producing and exporting countries, namely Thailand, Indonesia and Vietnam. Our main competitors are Von Bundit Company Limited, Southland Group, and Thai Hua Rubber Public Company Limited, which are based in Thailand, and the Kirana Group, Halcyon Agri Corporation (Sinochem Group), and China Hainan Rubber Industry Group, which are based overseas.

2.2.2.2 Rubber Glove Industry

The Malaysian Rubber Glove Manufacturers Association (MARGMA) projects the rubber glove demand in 2016 at approximately 190,000 million pieces per annum, and expects such demand to grow at the rate of 6 - 8% YoY. The main rubber gloves consumers are US, Europe, Japan, and South America, whereby rubber glove consumption per capita is higher than that of emerging markets. Nevertheless, the growth rate of rubber glove consumption per capita in emerging market is thriving at a considerable rate.

Thailand manufactures rubber gloves in amount of 19% of the world's production. Its production size is second to Malaysia whose production accounts for 63% of the world's production (Information as of 2013).

The demand for rubber gloves is trending upward in medical industry, its main source of rubber glove consumption. Additionally, the demand has seen substantial growth in food industry, electronics industry, and aesthetic industry etc. Rubber gloves can be divided into 2 primary categories i.e. natural rubber gloves (NR gloves) and nitrile gloves (NBR gloves).

STGT, the Company's subsidiary, is the rubber glove manufacturer under current production capacity at 14,000 million pieces per annum, accounting for 7% of market share based on consumption demand globally. Its main competitors are located in Malaysia, namely Top Glove, Hartalega, Supermax, and Kossan etc.

2.3 Procurement of Products and Services

2.3.1 Natural Rubber Products

2.3.1.1 Production Facilities and Rates of Utilization

As at 30 June 2017, we have a total of 35 processing facilities, 31 processing facilities located in Thailand, 3 processing facilities located in Indonesia, and 1 processing facilities located in Myanmar with an

² Based on our sales volume of Natural Rubber Products of approximately 1,494,094 tons for the financial year ended 31 December 2016 and the total global demand for natural rubber products of approximately 12,505,000 tons in 2016. (Source : International Rubber Study Group (IRSG), The World Rubber Industry Outlook, Review and Prospects to 2025, December 2016)

estimated total effective production capacity of approximately 2.4 million tons of Natural Rubber Products per annum.

Our production capacity is limited by available space, production lines, number of machines and manpower. Our estimated annual effective production capacity and the annual utilization rates of our natural rubber processing facilities which were in operation during the last three years based on our three categories of Natural Rubber Products for each of the three most recent completed financial years are as follows:

Natural Rubber Products	Estimated Effective Production Capacity ⁽¹⁾ (Tons)				Engineering Specified Capacity ⁽²⁾ (Tons)				Effective Utilization Rate ⁽³⁾ (%)			
	31/12/2014	31/12/2015	31/12/2016	30/06/2017	31/12/2014	31/12/2015	31/12/2016	30/06/2017	Year 2014	Year 2015	Year 2016	First 6 months 2017
RSS	217,661	217,661	217,661	217,661	217,661	217,661	217,661	217,661	54.2	47.1	52.6	51.3
TSR	929,275	1,103,323	1,406,731	1,442,011	1,195,740	1,414,740	1,791,420	1,835,220	80.3	75.2	77.3	74.6
Concentrated Latex	203,008	203,008	203,008	215,568	302,220	302,220	362,664	333,931	57.4	62.6	78.7	59.8
Total	1,349,944	1,523,992	1,827,400	1,875,240	1,715,621	1,934,621	2,371,745	2,386,812	72.6	69.2	74.5	70.2

Notes:

- (1) Calculated based on the annual engineering capacity of the relevant processing facility at the end of the relevant period which takes into consideration the estimated total number of working days, the down time for the maintenance of machinery and equipment and the amount of time needed to complete one cycle of production for each of our Natural Rubber Products at the relevant processing facility.
- (2) The engineering specified capacities of our natural rubber processing facilities are derived from the specifications certified or provided by the supplier of the relevant processing machinery
- (3) Calculated from actual effective production capacity of the relevant period, divided by weighted-average estimated effective production capacity of such relevant period, covering the effective production capacity in case that the production of factory commences during the year under relevant period.

2.3.1.2 Raw materials procurement and management

The raw materials for production of Natural Rubber Products (TSR, RSS, and concentrated latex) include cup lumps, unsmoked sheets, and field latex, respectively. In addition to the raw materials purchasing area in our factories, a network of raw material procurement centers is established to enhance the management of our raw materials. The network of raw material procurement centers is located strategically close to sources of raw materials supply in Thailand and Indonesia, accounting for raw material purchase in proportion of 80:20, respectively.

While we purchase raw materials primarily from dealers, raw materials are also sourced either directly from farmers or from farmer unions, cooperatives and rubber center markets at which farmers sell the raw materials. We obtain our raw materials through our procurement network from diverse sources of raw materials ranging from cooperatives, farmer unions and rubber center markets.

Our procurement team is also responsible for in-coming quality assurance. The raw materials used in our production process have to meet our specifications and are subject to our strict internal quality assurance

and testing. Prior to accepting delivery of raw materials, sample testing is conducted on the raw materials. The raw materials are tested for, amongst other things, its purity and dry rubber content to ensure that it meets our requirements. The results of the sample testing are recorded and considered prior to accepting delivery of a particular batch of raw material. The other responsibilities of our procurement team include (i) monitoring the pricing and supply trend of the raw materials that we require, (ii) inventory management and (iii) allocating raw materials to our various production facilities.

While we have well-established relationships with existing dealers and suppliers, our procurement team seeks to maintain and improve our relationship with such dealers and suppliers. This is done primarily through the conduct of supplier surveys and regular visits to the local villages. In addition, our procurement team will identify new dealers and suppliers, based on our assessment of their business operations (if evaluating dealers), quality and price of raw materials.

2.3.2 Examination Gloves

2.3.2.1 Factories and Production Capacities

As at 30 June 2017, STGT has 4 processing plants in Thailand with a total production capacity of approximately 14 billion glove pieces annually. We believe that we are Thailand's largest disposable examination gloves producer and one of the leading producers of latex and nitrile disposable examination gloves globally.

In 2016, STGT produced examination gloves totaling 13,227 million pieces, equaling to effective utilization rate of 94%.

2.3.2.2 Raw materials procurement and management

The base raw materials required for production of latex disposable examination gloves are Concentrated Latex which is supplied by our Group, and nitrile latex which is supplied by third parties.

3. Operating Assets

3.1 Fixed Assets of the Company

As of 30 June 2017, the book value of the Company's total fixed assets, less accumulated depreciation and reserves for impairment, used in business operations as shown in the consolidated financial statements of the Company is Baht 21,819.0 million or 38.2% of the total assets. The details are as follows:

Unit: Million Baht

Descriptions	Book Value Less Accumulated Depreciation as of 30 June 2017 ¹	Contingent Liabilities as of 30 June 2017 ²
Land and land improvement	7,654.7	105.3
Rubber and palm plantations	1,710.6	0
Buildings and structures	5,179.7	145.0
Machinery and equipment	5,242.0	420.6
Vehicles	346.1	0
Fixtures and office equipment	227.4	0
Assets under construction and installation	1,458.5	0
Total net book value	21,819.0	670.9

Note:

- 1) As of 30 June 2017, all kinds of fixed assets used in the business operations are owned by the Company except land leased by the Company equals to Baht 40.8 million.
- 2) As of 30 June 2017, plots of land, land improvement, buildings and structures, and machinery and equipment of certain subsidiaries with net book value amounting of Baht 670.9 million have been pledged as collateral for overdrafts and short-term loans and long-term loans from the financial institutions.

3.2 Intangible Assets

The Company used intangible assets in its business operations. As of 30 June 2017, the net book value of the intangible assets is Baht 478.5 million or 0.8% of the total assets consists of computer software.


3.3 Long-term Lease

The following table sets out the details relating to the material lease agreements of the properties leased by us and the long-term lease agreements which is mainly for the office space rental:

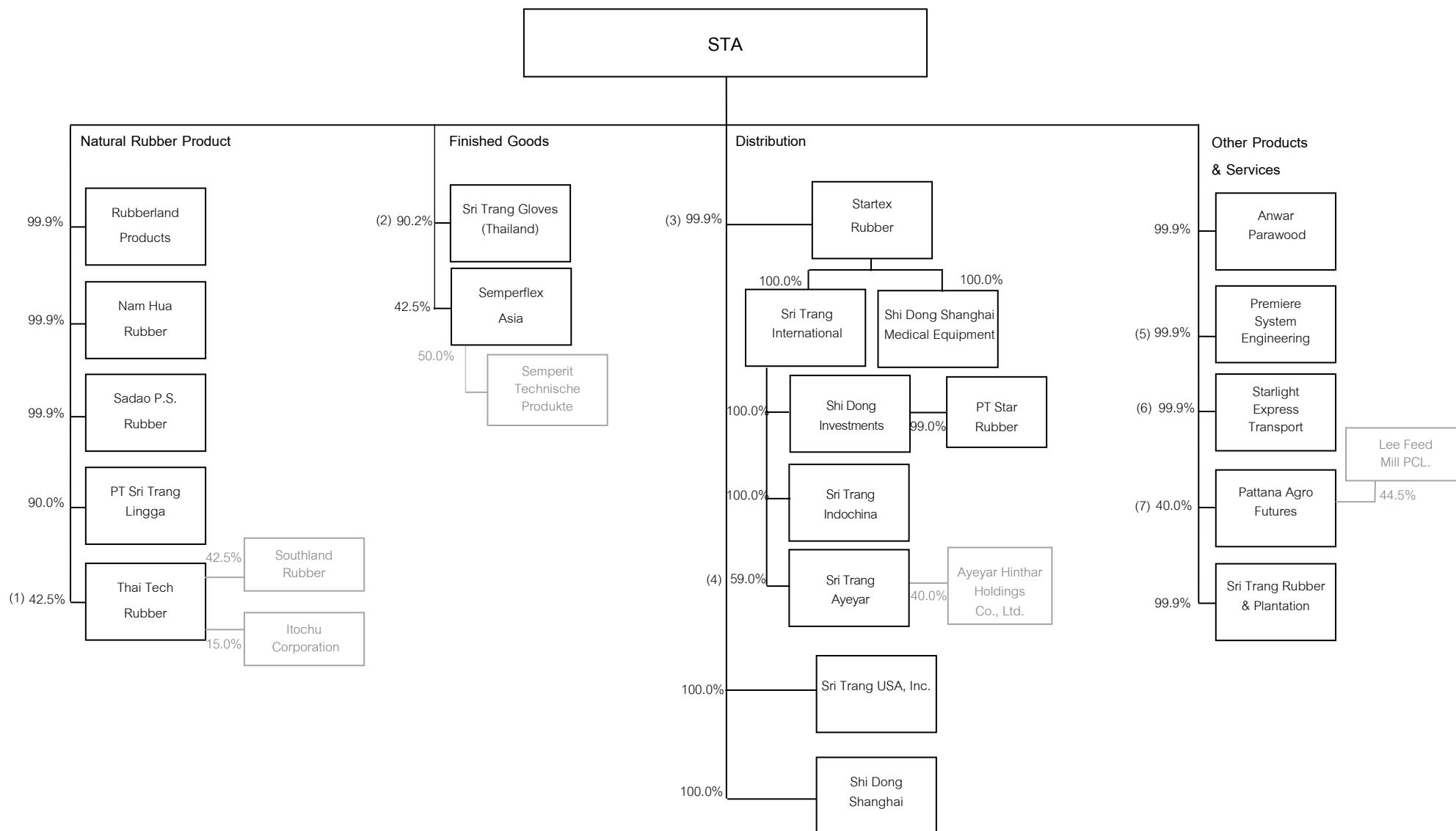
Location	Gross Area (approximate) (sq m)	Lease Term	Annual Rent	Landlord	Principal Use
STA					
Park Ventures Ecoplex, Lumpini, Pathumwan, Bangkok	1,968.6	1 June 2015 to 31 May 2018	Baht 21,090,967	Golden Ventures Leasehold Real Estate Investment Trust	Office space
Sri Trang International					
No. 38-02, One Raffles Place, Singapore	474	8 January 2015 to 7 January 2018	SG\$ 704,076	OUB Centre Limited	Office space
Shi Dong Shanghai					
5F East, Block B of W sqaure, NO.1686 Wuzhong Rd., Minhang District, Shanghai, China	1,330.4	15 September 2016 to 14 September 2019	RMB 3,233,924	Shanghai Jin Qiu Ming Hao Real Estate Co.,Ltd.	Office space

3.4 Intellectual Property

The Company has registered material trademarks such as Sri Trang logo  and

 both domestically and internationally for examination glove products and natural rubber products such as TSR, RSS, and Concentrated Latex

4. Group Structure of the Company as of 30 June 2017



Note:

- (1) Our Company directly owns 42.5% of the total number of issued shares in Thai Tech Rubber. Southland Rubber Co., Ltd. and Itochu Corporation Limited own 42.5% and 15.0% of the total number of issued shares in Thai Tech Rubber respectively. The remaining shares in Thai Tech Rubber are held by Mr. Perm Theerasarnwong (1 share), Mr. Thanasak Chamsanti (1 share), Dr. Viyavood Sincharoenkul (1 share) and Mr. Chaiyos Sincharoenkul (1 share).
- (2) Our Company is interested in an aggregate of approximately 90.2% of the total number of issued shares in STGT, comprising a direct interest of approximately 81.5% and an indirect interest of approximately 8.7% through our subsidiary Rubberland Products. STH (6.0%), and by five individuals including Ms. Poonsuk Cherdkiatgumchai (3.7%), Mr. Veerasith Sinchareonkul (2 shares), Mr. Somwang Sincharoenkul (2 shares), Mr. Viyavood Sincharoenkul (2 shares), and Mr. Kitichai Sincharoenkul (2 shares).
- (3) Our Company is interested in an aggregate of approximately 99.99% of the total voting rights. The remaining shares are held by Mr. Somporn Punnarai (1 share) and Mrs. Promsuk Sinchareonkul (1 share).
- (4) Sri Trang International owns 59.0% of the total number of issued shares in Sri Trang Ayeyar. The remaining shares are held by Ayeyar Hinthar Holdings Co., Ltd. 40.0% and Mr. Kitichai Sincharoenkul 1.0%.
- (5) Our Company is interested in an aggregate of approximately 99.9% of the total number of issued shares in Premier System Engineering, comprising a direct interest of approximately 81.9% and indirect interest of approximately 16.0% and 2.0% through our subsidiaries, Rubberland Products and Sadao P.S. Rubber respectively. The remaining shares are held by Mr. Phanlert Wangsuphadilok (3 shares) and Mr. Aram Sirisuwat (1 share).
- (6) Our Company is interested in an aggregate of approximately 99.9% of the total number of issued shares in Starlight Express Transport, comprising a direct interest of approximately 76.6% and indirect interest of approximately 13.3%, 3.3%, 3.3% and 3.3% through our subsidiaries Rubberland Products, Nam Hua Rubber, Sadao P.S. Rubber and Startex Rubber respectively. The remaining shares are held by Prukesa Mansion Ltd (1 share) and Mr. Boonyachon Sincharoenkul (1 share).
- (7) Our Company directly owns 40.0% of the total number of issued shares in Pattana Agro Futures. Lee Feed Mill Public Company Limited owns 44.5% of the total number of issued shares in Pattana Agro Futures, and the remaining shares in Pattana Agro Futures are held by Mr. Preecha Leelasithorn (8.8%), Wallstreet Tower Company Limited (6.3%), and Mr. Nipon Leelasithorn (0.5%). Pattana Agro Futures stopped its operation and reduced registered capital from Baht 100.0 million to Baht 25.0 million due to Act Repealing of the Agricultural Futures Trading Act B.E. 2542, B.E. 2558, effective from November 2015. As a result of this Act, Agricultural Futures Exchange of Thailand (AFET), where Pattana Agro Futures operated as a commodity futures broker, was required to cease its operation and merge into the Thailand Futures Exchange (TFEX).

5. Information Concerning the Directors, Management and Major Shareholders

5.1 Board of Directors of STA

As of 30 June 2017, the Board of Directors of STA consists of the following 12 directors:

Name	Position	Remarks
1. Mr. Viyavood Sincharoenkul	Chairman /Managing Director/ Executive Director	Executive Director
2. Mr. Prakob Visitkitjakarn	Vice Chairman/Independent Director/ Chairman of the Audit Committee/ Chairman of the Remuneration Committee	Non-Executive Director
3. Mr. Chaiyos Sincharoenkul	Director/ Executive Director	Executive Director
4. Mr. Kitichai Sincharoenkul	Director/ Executive Director / Nominating Committee member	Executive Director
5. Mr. Paul Sumade Lee	Director/ Executive Director	Executive Director
6. Mr. Veerasith Sinchareonkul	Director/ Executive Director / Chairman of the Risk Management Committee	Executive Director
7. Mr. Patrawut Panitkul	Director/ Executive Director / Risk Management Committee member	Executive Director
8. Mr. Li Shiqiang	Director	Executive Director
9. Mr. Chalernpop Khanjan	Director/ Executive Director / Risk Management Committee member	Executive Director
10. Mr. Kriang Yanyongdilok	Independent Director/ Audit Committee member/ Chairman of the Nominating Committee/ Remuneration Committee member	Non-Executive Director
11. Mr. Samacha Potavorn	Independent Director/ Audit Committee member/ Nominating Committee member/ Remuneration Committee member	Non-Executive Director
12. Mr. Neo Ah Chap	Independent Director	Non-Executive Director

Mrs. Pacharin Anuwongwattanachai is Secretary to the Board of Directors of STA.

5.2 Executives

As of 30 June 2017, the list of Executives of STA is as follows:

Name	Position
1. Mrs. Prapai Srisuttiiphong	Group Manager of Procurement
2. Mr. Asom Aksornnam	Group of Production Manager
3. Mr. Chaidet Pruksanusak	Group Manager of Quality Assurance
4. Mr. Rattapong Laparojkit	Group Manager of Engineering
5. Mr. Phanlert Wangsuphadilok	Group Manager of Engineering
6. Mr. Udom Pruksanusak	CEO - Plantation
7. Miss Nuchanart Chaiyarat	Group Manager of Human Resources
8. Miss Thanawan Sa-ngiamsak	VP of Business Development & Investor Relations

Note: "Executive" means a manager or the next four executives succeeding the manager and every person holding an equivalent position to the fourth executive, including persons holding the position of departmental manager or equivalent or higher in the accounting or finance.

5.3 List of Major Shareholders

Top 10 largest shareholders of STA according to the record date as of 1 August 2017⁽¹⁾ are as follows:

No.	Name	No. of Shares	%
1	Sincharoenkul family ⁽²⁾	296,439,525	23.16
2	Sri Trang Holdings Co., Ltd.	283,152,760	22.12
3	Thai NVDR Co., Ltd.	28,199,430	2.20
4	Thai R.T.N.T. Holding Co., Ltd.	28,138,000	2.20
5	CITIGROUP GLOBAL MARKETS LIMITED-PB CLIENT-NRBS COLLATERAL	21,726,050	1.70
6	UOB KAY HIAN PRIVATE LIMITED	18,615,075	1.45
7	Provident Fund - K Master Pooled Fund	17,874,300	1.40
8	Ms. Suwanna Kovitsophon	15,380,000	1.20
9	Mr. Tsai Wu-Ying	13,153,420	1.03
10	Southland Rubber Co., Ltd.	11,605,920	0.91
	Total	734,284,480	57.37

Notes:

(1) Information obtained from The Thailand Securities Depository Co., Ltd and CDP

(2) Details of shareholding of Sincharoenkul family;

No.	Name	No. of Shares	%
1	Mr. Viyavood Sincharoenkul	135,660,070	10.60
2	Ms. Lee Joyce Shing Yu	27,604,075	2.16
3	Mr. Veerasith Sinchareonkul	22,791,000	1.78
4	Mr. Vitanath Sincharoenkul	22,520,000	1.76
5	Mr. Vitchaphol Sincharoenkul	21,000,000	1.64
6	Mr. Kitichai Sincharoenkul	12,902,000	1.01
7	Mrs. Voradi Sincharoenkul	12,530,220	0.98
8	Mrs. Promsuk Sinchareonkul	9,000,000	0.70
9	Mr. Paul Sumade Lee	8,906,955	0.70
10	Mr. Boonyachon Sincharoenkul	7,525,400	0.59
11	Mr. Somwang Sincharoenkul	5,913,305	0.46
12	Ms. Navara Sincharoenkul	4,095,000	0.32
13	Mrs. Vanida Sincharoenkul	3,246,500	0.25
14	Ms. Vannisa Sincharoenkul	1,745,000	0.14
15	Mrs. Duangjai Sincharoenkul	1,000,000	0.08
	Total	296,439,525	23.16

The top 10 major shareholders of Sri Trang Holdings Co., Ltd.⁽¹⁾ are as follows:

No.	Name	As at 1 August 2017	
		No. of Shares (Par value of Baht 10 each)	Direct Shareholding (%)
1	Mr. Viyavood Sincharoenkul	2,215,700	25.18
2	Ms. Susan Su	1,206,000	13.70
3	Mr. Sumade Sincharoenkul	967,860	11.00
4	Ms. Somsri Sirisuwat	672,000	7.64
5	Mr. Chaiyos Sincharoenkul	542,860	6.17
6	Paktai Rubber Industries Limited Partnership ²	528,000	6.00
7	Nguan Chiang Food Industry Co., Ltd.	448,000	5.09
8	BRADSHAW EQUITIES HOLDINGS LTD.	440,000	5.00
9	Mr. Kitichai Sincharoenkul	348,880	3.96
10	Mrs. Voradi Sincharoenkul	226,840	2.58
11	Others	1,203,860	13.68
	Total	8,800,000	100.00

Note:

- (1) Sri Trang Holdings Co., Ltd. engages in long-term investment for dividend income business
- (2) Mr. Viyavood Sincharoenkul, Mrs. Duangjai Sincharoenkul and Mr. Chaiyos Sincharoenkul are limited partners.

6. Capital Increase for the Last 3 Years

- None -

7. Dividend Payment for the Last 3 years

Information of dividend payment for the last 3 years of STA is as follows:

Operating Year	Number of share	Earnings per share (Baht)	Dividend per share (Baht)	Total dividend payment (Baht)	Dividend Payout ratio (%)
2016	1,280,000,000	(0.59)	0.40	512,000,000	N/A
2015	1,280,000,000	0.87	0.40	512,000,000	45.79
2014	1,280,000,000	0.81	0.40	512,000,000	49.34

8. Information on the Affiliates, Subsidiaries and Associates as of 30 June 2017

8.1 Natural Rubber Products

Company	Country	Type of Businesses	Direct Shareholding as of 30 June 2017 (%)	Paid-up Capital as of 30 June 2017
STA	Thai	Production of RSS, TSR and Concentrated Latex	-	Baht 1,280,000,000
Rubberland Products	Thai	Production of Concentrated Latex and TSR	99.99	Baht 1,600,000,000
Nam Hua Rubber	Thai	Production of RSS, TSR and Concentrated Latex	99.99	Baht 500,000,000
Sadao P.S. Rubber	Thai	Production of RSS	99.99	Baht 40,000,000

Company	Country	Type of Businesses	Direct Shareholding as of 30 June 2017 (%)	Paid-up Capital as of 30 June 2017
PT Sri Trang Lingga	Indonesia	Production of SIR-block rubber	90.00 ³	USD 10,000,000
PT Star Rubber	Indonesia	Production of SIR-block rubber	99.00 ⁴	USD 46,000,000
Thai Tech Rubber	Thai	Production of TSR	42.50 ⁵	Baht 60,000,000
Sri Trang Ayeyar	Myanmar	Production of TSR	59.00 ⁶	USD 1,000,000

8.2 Finished Products

Company	Country	Type of Businesses	Direct Shareholding as of 30 June 2017 (%)	Paid-up Capital as of 30 June 2017
Sri Trang Gloves (Thailand)	Thai	Production of examination gloves	90.23	Baht 200,000,000
Semperflex Asia	Thai	Production of high-pressure hydraulic hoses	37.50 ⁷	Baht 380,000,000

³ Held by STA and the remaining shares are held by PT Nusantara Agro Industri (which is not a person who may have conflicts of interest) 10.00%.

⁴ Held by Shi Dong Investments Pte. Ltd.

⁵ Held by STA 42.50% and the remaining shares are held by Southland Rubber Co.,Ltd. (which is not a person who may have conflicts of interest) 42.50%, Itochu Corporation Limited (which is not a person who may have conflicts of interest) 15%, Mr. Perm Theerasamwong (1 share), Mr. Thanasak Chamsanti (1 share), Mr. Viyavood Sincharoenkul (1 share), and Mr. Chaiyos Sincharoenkul (1 share).

⁶ Held by Sri Trang International 59.00% and the remaining shares are held by Ayeyar Hinthar Holdings Co., Ltd. 40.00% and Mr. Kitichai Sincharoenkul 1.00%.

⁷ Held by STA 37.50% and the remaining shares are held by Semperit Technische 50.00%, Rubberland Products 5.00%, Sri Tang Holdings 5.00%, Paktai Rubber 2.50%, Ms. Poonsuk Cherdkiatgumchai (2 shares), Mrs. Promsuk Sincharoenkul (2 shares), Mr. Somwang Sincharoenkul (2 shares), Mr. Viyavood Sincharoenkul (2 shares), Chaiyos Sincharoenkul (2 shares), Mr. Anan Pruksanusak (2 shares), and Mrs. Jitraporn Panichkun (2 shares)

8.3 Products Distribution

Company	Country	Type of Businesses	Direct Shareholding as of 30 June 2017 (%)	Paid-up Capital as of 30 June 2017
Sri Trang International	Singapore	Distribution of natural rubber products and rubber gloves	100.00 ⁸	USD 61,000,000
Sri Trang USA	United States	Distribution of natural rubber products and rubber gloves in the United States	100.00	USD 3,000,000
Shi Dong Shanghai	PRC	Distribution of natural rubber products and rubber gloves in PRC	100.00 ⁹	USD 5,000,000
Sri Trang Indochina	Vietnam	Distribution of natural rubber products from Vietnam to customers	100.00 ¹⁰	USD 1,000,000
Shidong Shanghai Medical Equipment Co., Ltd.	PRC	Distribution of rubber gloves in PRC	100.00 ¹¹	USD 1,650,000

8.4 Other Business

Company	Country	Type of Businesses	Direct Shareholding as of 30 June 2017 (%)	Paid-up Capital as of 30 June 2017
Anvar Parawood	Thai	Lumber production and manufacture of wooden furniture	99.94 ¹²	Baht 10,000,000

⁸ Held by Startex Rubber

⁹ Held by STA. Shi Dong Shanghai is licensed to operate for a term of 30 years from 2 August 2010

¹⁰ Held by Sri Trang International which wholly owned by Startex Rubber, 100%

¹¹ Held by Startex Rubber

¹² Held by STA 99.94% and the remaining shares are held by Mr. Viyavood Sincharoenkul (1 Share), Mrs. Promsuk Sinchareonkul (1 share), Mr. Aram Sirisuwat (1 share), Mrs. Oranuch Sirisuwat (1 Share), Prukasa Mansion Ltd (1 Share), and Mr. Udom Pruksanusak (1 Share)

Company	Country	Type of Businesses	Direct Shareholding as of 30 June 2017 (%)	Paid-up Capital as of 30 June 2017
Startex Rubber	Thai	Ownership and management of rubber and oil palm plantations	99.99 ¹³	Baht 2,114,890,500
Premier System Engineering	Thai	Engineering services, design, installation and maintenance machinery	81.99 ¹⁴	Baht 50,000,000
Starlight Express Transport	Thai	Provision of logistics services	76.66 ¹⁵	Baht 15,000,000
Pattana Agro Futures	Thai	Brokerage activities	40.00 ¹⁶	Baht 25,000,000
Sri Trang Rubber & Plantation	Thai	Ownership and management of rubber plantations	99.99	Baht 6,137,500,000
Shi Dong Investments	Singapore	Investment holding in PT Star Rubber	100.00 ¹⁷	USD 48,000,000

¹³ Held by STA 99.99% and the remaining shares are held by Mr. Somporn Punnarai (1 share) and Mrs. Promsuk Sinchareonkul (1 share)

¹⁴ Held by STA 81.99% and the remaining shares are held by Rubberland Products 16.00%, Sadao P.S. Rubber 2.00%, Mr. Phanlert Wangsuphadilok (3 share) and Mr. Aram Sirisuwat (1 share)

¹⁵ Held by STA 76.66% and the remaining shares are held by Rubberland Products 13.33%, Nam Hua Rubber 3.33%, Sadao P.S. Rubber 3.33%, Startex Rubber 3.33%, Phrueksa Mansion Ltd (1 share), and Mr. Boonyachon Sinchareonkul (1 share)

¹⁶ Held by STA 40.00% and the remaining shares are held by Lee Feed Mill Public Company Limited (which is not a person who may have conflicts of interest) 44.50%, Mr. Preecha Leelasithorn 8.75%, Wallstreet Tower Company Limited (which is not person who may have conflicts of interest) 6.25%, and Mr. Nipon Leelasithorn 0.5%

¹⁷ Held by Sri Trang International which is wholly owned by Startex Rubber

Section 3

3-Year Historical Financial Comparison

Section 3: 3-Year Historical Financial Comparison

Sri Trang Agro-Industry Public Company Limited

Financial Statement

As at 31 December 2014, 2015, 2016 and as at 30 June 2017

Statement of Financial Position

Unit: Million Baht

Consolidated Financial Statements				
Item	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Current Assets				
Cash and cash equivalents	2,132	2,197	1,675	2,136
Derivative financial instruments	90	337	165	93
Trade accounts receivable and other receivables, net	4,688	3,854	8,093	7,512
Amounts due from future brokers	392	702	634	457
Inventories, net	10,030	13,960	20,931	18,789
Current portion of long-term borrowings to a subsidiary	-	-	-	-
Other current assets	352	481	314	641
Total current assets	17,684	21,531	31,812	29,628
Non-Current Assets				
Long-term borrowings to subsidiaries	-	-	-	-
Fixed deposits pledged as collateral	35	34	12	13
Investments in subsidiaries	-	-	-	-
Investments in associates	1,158	1,358	1,490	443
Investment in joint ventures	2,878	3,379	3,699	328
Available-for-sale investments	-	-	-	50
Long-term investments	64	51	59	-
Property, plant and equipment, net	14,355	15,185	15,766	20,108

Separate Financial Statements				
Item	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Current Assets				
Cash and cash equivalents	351	302	342	334
Derivative financial instruments	34	265	20	52
Trade accounts receivable and other receivables, net	2,298	2,360	3,526	4,482
Amounts due from future brokers	86	88	23	6
Inventories, net	4,743	6,335	10,861	7,407
Current portion of long-term borrowings to a subsidiary	-	362	535	1,460
Other current assets	77	86	113	247
Total current assets	7,589	9,798	15,420	13,988
Non-Current Assets				
Long-term borrowings to subsidiaries	993	1,263	1,539	1,014
Fixed deposits pledged as collateral	14	14	-	-
Investments in subsidiaries	9,685	10,701	11,247	17,993
Investments in associates	649	649	619	158
Investment in joint ventures	83	83	198	135
Available-for-sale investments	-	-	-	49
Long-term investments	62	50	58	-
Property, plant and equipment, net	5,845	6,225	6,805	6,939

Consolidated Financial Statements				
Item	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Rubber and palm plantations, net	901	1,221	1,573	1,711
Intangible assets, net	32	330	481	478
Goodwill			-	2,886
Investment properties	170	155	152	145
Withholding tax deducted at source	333	396	366	357
Deferred income tax assets, net	146	203	492	681
Other non-current assets	34	36	57	305
Total non-current assets	20,106	22,348	24,147	27,505
Total assets	37,790	43,879	55,959	57,133
Current Liabilities				
Trade accounts payable and other payables	2,580	2,687	3,168	2,292
Short-term borrowings from financial institutions	9,408	13,446	23,434	28,514
Current portion of long-term borrowings from financial institutions	140	451	5,398	614
Current portion of debentures	-	850	-	600
Current portion of finance lease liabilities	30	25	8	4
Derivative financial instruments	213	272	655	296
Current income tax liabilities	49	64	114	43
Other current liabilities	44	40	60	73
Total current liabilities	12,464	17,835	32,837	32,436
Non-current liabilities				
Long-term borrowings from financial institutions	2,914	3,742	1	4,021
Debentures	1,450	600	2,865	2,265
Finance lease liabilities	33	11	5	13
Deferred income tax liabilities, net	173	152	119	400
Provision from retirement benefit obligations	115	162	185	276
Other non-current liabilities	50	43	35	35

Separate Financial Statements				
Item	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Rubber and palm plantations, net	4	3	2	2
Intangible assets, net	12	315	470	465
Goodwill	-	-	-	-
Investment properties	28	28	28	28
Withholding tax deducted at source	250	312	344	344
Deferred income tax assets, net	-	-	139	237
Other non-current assets	13	14	18	25
Total non-current assets	17,638	19,657	21,467	27,389
Total assets	25,227	29,455	36,887	41,377
Current Liabilities				
Trade accounts payable and other payables	1,487	1,408	1,740	1,706
Short-term borrowings from financial institutions	4,261	7,734	14,338	18,781
Current portion of long-term borrowings from financial institutions	50	200	4,276	612
Current portion of debentures	-	850	-	600
Current portion of finance lease liabilities	4	4	3	4
Derivative financial instruments	156	196	461	196
Current income tax liabilities	-	-	-	-
Other current liabilities	21	20	28	14
Total current liabilities	5,979	10,412	20,846	21,913
Non-current liabilities				
Long-term borrowings from financial institutions	2,910	3,740	-	4,021
Debentures	1,450	600	2,865	2,265
Finance lease liabilities	4	4	4	9
Deferred income tax liabilities, net	37	33	-	-
Provision from retirement benefit obligations	53	74	84	88
Other non-current liabilities	-	-	-	-

Consolidated Financial Statements				
Item	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Total non-current liabilities	4,735	4,710	3,210	7,010
Total Liabilities	17,199	22,545	36,047	39,446
Equity				
Issued and paid-up share capital	1,280	1,280	1,280	1,280
Premium on share capital	8,551	8,551	8,551	8,551
Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests	-173	-173	-173	-173
Asset revaluation surplus, net of accumulated depreciation	1,471	1,428	1,297	1,274
Unrealized gains on available-for-sale investments	19	7	13	14
Cumulative currency differences on translation	-446	-269	-284	-485
Retained earnings				
- Appropriated – legal reserve	128	128	128	128
- Unappropriated	9,662	10,288	9,036	6,475
Equity attributable to owners of the parent	20,492	21,240	19,848	17,062
Non-controlling interests	100	94	64	625
Total Equity	20,592	21,334	19,912	17,687
Total liabilities and equity	37,791	43,879	55,959	57,133

Separate Financial Statements				
Item	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Total non-current liabilities	4,454	4,451	2,953	6,383
Total Liabilities	10,433	14,863	23,799	28,296
Equity				
Issued and paid-up share capital	1,280	1,280	1,280	1,280
Premium on share capital	8,551	8,551	8,551	8,551
Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests	-	-	-	-
Asset revaluation surplus, net of accumulated depreciation	691	654	553	539
Unrealized gains on available-for-sale investments	18	6	12	13
Cumulative currency differences on translation	-	-	-	-
Retained earnings				
- Appropriated – legal reserve	128	128	128	128
- Unappropriated	4,126	3,973	2,564	2,570
Equity attributable to owners of the parent	14,794	14,592	13,088	13,081
Non-controlling interests	-	-	-	-
Total Equity	14,795	14,592	13,088	13,081
Total liabilities and equity	25,228	29,455	36,887	41,377

Statement of Comprehensive Income

Unit: Million Baht

Consolidated Financial Statements				
Item	For the Year Ended 31 December 2014	For the Year Ended 31 December 2015	For the Year Ended 31 December 2016	For the six- month period ended 30 June 2017
Revenues from sales of goods and services	75,530	61,292	77,266	51,394
Cost of sales and services	-72,182	-57,771	-71,852	-50,306
Gross profit	3,348	3,521	5,414	1,088
Other income	134	186	197	243
Selling expenses	-2,133	-2,125	-3,174	-1,942
Administrative expenses	-1,688	-1,588	-2,262	-1,461
Gains (losses) on exchange rate, net	371	214	6	292
Gains on change in fair value from group investment reclassification	-	-	-	224
Gains from disposal of investments in associates and general investment	-	-	-	133
Other gains (losses), net	1,122	1,095	-985	-266
Operating profit (loss)	1,154	1,303	-804	-1,689
Share of profit from investments in associated and joint venture	535	649	403	668
Profit (loss) before net finance costs and income tax	1,690	1,952	-401	-1,689
Finance income	50	48	35	15
Finance costs	-663	-857	-707	-589
Finance costs, net	-614	-809	-672	-574
Profit (loss) before income tax	1,076	1,143	-1,073	-2,263
Income tax	-40	-32	283	165
Profit (loss) for the year	1,036	1,112	-790	-2,097
Attributable to owners of the parent	1,038	1,118	-758	-2,072
Attributable to non-controlling interests	-2	-6	-32	-25

Separate Financial Statements				
Item	For the Year Ended 31 December 2014	For the Year Ended 31 December 2015	For the Year Ended 31 December 2016	For the six- month period ended 30 June 2017
Revenues from sales of goods and services	37,058	29,015	38,335	29,041
Cost of sales and services	-34,907	-27,176	-35,677	-28,973
Gross profit	2,151	1,839	2,658	68
Other income	1,115	462	463	2,332
Selling expenses	-1,758	-1,779	-2,380	-1,339
Administrative expenses	-858	-816	-916	-441
Gains (losses) on exchange rate, net	235	91	77	210
Gains on change in fair value from group investment reclassification	-	-	-	-
Gains from disposal of investments in associates and general investment	-	-	-	218
Other gains (losses), net	870	822	-734	-330
Operating profit (loss)	1,754	619	-832	718
Share of profit from investments in associated and joint venture	-	-	-	-
Profit (loss) before net finance costs and income tax	1,754	619	-832	718
Finance income	75	78	75	52
Finance costs	-368	-361	-417	-363
Finance costs, net	-293	-283	-342	-311
Profit (loss) before income tax	1462	337	-1,174	407
Income tax	-20	1	262	98
Profit (loss) for the year	1,442	338	-912	505
Attributable to owners of the parent	1,442	338	-912	505
Attributable to non-controlling interests	-	-	-	-

Statement of Cash Flows

Unit: Million Baht

Consolidated Financial Statements				
Item	For the Year Ended 31 December 2014	For the Year Ended 31 December 2015	For the Year Ended 31 December 2016	For the six- month period ended 30 June 2017
Net cash used in operating activities	9,270	-2,074	-10,215	704
Net cash used in investing activities	-2,371	-2,464	-2,343	-3,578
Net cash provided by financing activities	-6,659	4,604	12,035	3,336
Net increase (decrease) in cash and cash equivalents	239	66	-523	461
Cash and cash equivalents at the beginning of the years	1,893	2,132	2,197	1,675
Cash and cash equivalents at the end of the years	2,132	2,197	1,675	2,136

Separate Financial Statements				
Item	For the Year Ended 31 December 2014	For the Year Ended 31 December 2015	For the Year Ended 31 December 2016	For the six- month period ended 30 June 2017
Net cash used in operating activities	4,232	-1,672	-5,684	414
Net cash used in investing activities	-1,219	-2,313	-2,115	-4,761
Net cash provided by financing activities	-3,221	3,937	7,840	4,338
Net increase (decrease) in cash and cash equivalents	-207	-49	40	-8
Cash and cash equivalents at the beginning of the years	559	352	302	342
Cash and cash equivalents at the end of the years	352	302	342	334

Financial Ratios

Consolidated Financial Information

		As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Liquidity Ratios					
Current Ratio	times	1.42	1.21	0.97	0.91
Quick Ratio	times	0.55	0.34	0.30	0.33
Cash Ratio	times	0.56	-0.14	-0.40	0.30
Accounts Receivable Turnover ¹	times	13.07	15.81	13.96	14.08
Average Collection Period	Days	27.55	22.77	25.79	25.56
Inventory Turnover ²	times	5.42	4.82	4.12	7.68
Average Sale Period	Days	66.36	74.75	87.41	46.87
Account Payable Turnover ³	times	34.03	37.22	45.01	72.28
Average Payment Period	Days	10.58	9.67	8.00	4.98
Cash Cycle	Days	83.33	87.84	105.20	67.45
Profitability Ratios					
Gross Profit Margin	%	4.43	5.74	7.01	2.12
Operating Profit Margin	%	1.53	2.13	-1.04	-3.29
Operating Cash to Operating Profit	%	8.03	-1.59	12.71	-0.42
Net Profit Margin	%	1.37	1.82	-0.98	-4.03
Return on Equity (ROE) ⁴	%	5.11	5.33	-3.68	-22.05
Efficiency Ratios					
Return on Total Assets (ROA) ⁵	%	2.53	2.74	1.52	-7.33
Return on Fixed Assets ⁶	%	13.63	13.73	2.59	-21.17
Fixed Asset Turnover ⁷	times	5.38	3.87	4.58	5.25
Total Asset Turnover ⁸	times	1.84	1.51	1.55	1.82
Leverage Ratios					
Net debt to Equity	times	0.73	0.95	1.73	2.11
Debt to Equity	times	0.84	1.06	1.81	2.23
Interest-Bearing Debt to Equity	times	0.58	0.79	1.51	2.03
Net Long-Term Borrowings to EBITDA	times	0.88	0.72	1.51	-2.33
Interest Coverage Ratio	times	15.03	-1.38	-13.84	-2.87
Debt Coverage Ratio	times	1.66	-0.64	-2.55	1.18
Dividend Payment Ratio	%	49.34	45.79	-67.55	-

Notes:

¹ Computed by dividing sales of goods and services by average trade accounts receivable

² Computed by dividing cost of sales and services by average inventories

³ Computed by dividing cost of sales and services by trade accounts payable

⁴ Computed by dividing net profit for the year (attributable to owners of the parent) by average shareholders' equity

⁵ Computed by dividing net profit for the year (attributable to owners of the parent) by average total assets

⁶ Computed by dividing summation of net profit for the year (attributable to owners of the parent) and depreciation by average fixed assets

⁷ Computed by dividing sales of goods and services by average fixed assets

⁸ Computed by dividing total revenues by average total assets

DEFINED TERMS AND ABBREVIATIONS

In this document, unless the context otherwise requires, references to “our Company”, “the Company” or “STA” refer to Sri Trang Agro-Industry Public Company Limited; references to “we”, “us”, “our”, “ourselves”, and “Group” refer to the Company and its consolidated subsidiaries taken as a whole.

<i>Anvar Parawood</i>	:	Anvar Parawood Company Limited
<i>Company or STA</i>	:	Sri Trang Agro-Industry Public Company Limited
<i>Nam Hua Rubber</i>	:	Nam Hua Rubber Company Limited
<i>Paktai Rubber</i>	:	Paktai Rubber Industries Limited Partnership
<i>Pattana Agro Futures</i>	:	Pattana Agro Futures Company Limited
<i>Premier System Engineering</i>	:	Premier System Engineering Company Limited
<i>PT Sri Trang Lingga</i>	:	PT Sri Trang Lingga Indonesia
<i>Rubberland Products</i>	:	Rubberland Products Company Limited
<i>Sadao P.S. Rubber</i>	:	Sadao P.S. Rubber Company Limited
<i>SAC or Semperflex Asia</i>	:	Semperflex Asia Corporation Limited
<i>Semperit</i>	:	Semperit Technische Produkte Gesellschaft m.b.H., a subsidiary of Semperit AG Holding
<i>Shi Dong Investments</i>	:	Shi Dong Investments Pte. Ltd.
<i>Shi Dong Shanghai</i>	:	Shi Dong Shanghai Rubber Co., Ltd.
<i>Sri Trang Ayeyar</i>	:	Sri Trang Ayeyar Rubber Industry Company Limited
<i>Sri Trang Indochina</i>	:	Sri Trang Indochina (Vietnam) Co., Ltd.
<i>Sri Trang International</i>	:	Sri Trang International Pte. Ltd.
<i>Sri Trang Gloves (Thailand) or STGT</i>	:	Sri Trang Gloves (Thailand) Co., Ltd.
<i>Sri Trang Rubber & Plantation</i>	:	Sri Trang Rubber & Plantation Company Limited
<i>Sri Trang USA</i>	:	Sri Trang USA, Inc.
<i>Starlight Express Transport</i>	:	Starlight Express Transport Company Limited
<i>Startex Rubber</i>	:	Startex Rubber Corporation Limited
<i>STH</i>	:	Sri Trang Holdings Company Limited
<i>Thai Tech Rubber</i>	:	Thaitech Rubber Corporation Limited